

Patman Calls Gannett's Outfit a Fascist

Assails Committee for Constitutional Government on Tax Activities

By ELIZABETH DONAHUE
PM's Bureau

WASHINGTON, May 12.—Rep. Wright Patman (D., Tex.) has warned that if Frank Gannett's "sinister, sordid" lobby for a 25 per cent tax limit is adopted by Congress "we won't be able to take care of veterans or their widows or children."

Patman took the floor yesterday during debate on the "GI Bill of Rights" to assail the lobbying activities of Gannett's Committee for Constitutional Government which seeks to repeal the 16th Amendment to the Constitution. The Amendment provides Congress with its tax-raising powers.

The Texan reminded the House that repeal of the Amendment has already been quietly approved by 16 States, and that it aims to "limit the authority of Congress to tax the people over 25 per cent."

The tax ceiling, sponsored by Gannett's group, would apply to income, corporation, inheritance and all other Federal levies.

Miss Kellems Accused

Patman charged that Gannett and former Congressman Samuel B. Pettigill are promoting the limited tax plan.

The House was also informed by Patman that Vivian Kellems, whose correspondence with a Nazi agent in South America has been publicly questioned, "is making speeches for Gannett's committee." Miss Kellems recently urged the public to refuse to pay income taxes.

"This is a fascist group," Patman declared, "and it is backing people for office and urging others to make liberal contributions to the cause."

Patman warned that if the constitutional amendment should become law, "the wealth of the country would be concentrated in the hands of a few and we certainly won't be able to take care of veterans and their widows and dependents."

Postwar Benefits Hit

The Texas Congressman's explosion occurred during debate on the bill to provide postwar unemployment compensation and other bene-



Frank Gannett

fits for servicemen. The measure is expected to cost at least \$6,500,000,000 and it's Patman's contention that if Gannett's tax curb is adopted the Treasury cannot afford postwar benefits for servicemen.

Patman's speech was applauded by Chairman Adolph Sabath (D., Ill.) of the House Rules Committee who expressed appreciation of the "valuable information" Patman gave the House.

Rep. Hamilton Fish (R., N. Y.) stoutly defended Gannett "as one of the most loyal and patriotic citizens."

"If Gannett's committee succeeds," retorted Sabath, "it's goodbye to our boys who are fighting this war."

Rankin Boasts of Cuts

During the first day of debate on the bill Rep. John Elliott Rankin (D., Miss.) skated over the real issues of how his committee has reduced the amount of veterans' unemployment compensation below the sums set by the Senate.

No member of the House ques-

tioned him on his endorsement of a cut from 52 to 26 in the number of weeks compensation is to be paid.

The Mississippian carefully explained less important features of the bill to the House, and in return was hailed by Fish as the "most useful member of Congress, an able, fearless, eloquent orator and the most effective debater in the Congress of the United States."

Only once did a member venture to question to what extent Rankin's bill provided veterans with any real measure of economic security.

Rep. Sabath stressed the fact that Rankin's committee had placed veterans at the mercy of private banks and corporations to secure loans for rebuilding their homes, farms and business enterprises.

Rankin's committee, Sabath pointed out, by removing the loans from the jurisdiction of Government agencies and placing them with the banks, had been forced to raise the interest from 3 to 6 per cent.

"We are leaving the veterans at the mercy of the loan sharks," Sabath added.

The bill as passed by the Senate limited the interest rate to 3 per cent.

Rep. James Fitzpatrick (D., N. Y.) broke in with the observation that "if we can give money to farmers at low interest rates, we ought to be able to give it to the boys who are fighting and dying."

GOP Leader Rep. Joe Martin (R., Mass.) indicated in a brief speech that Rankin will have the full backing of the Republicans in securing passage of the bill.

Group